



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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CALIFORNIA TREASURER ANGELIDES COMMENTS ON SETTLEMENT IN UNOCAL HUMAN RIGHTS CASE

Urges Oil Giant to Reassure Shareholders About Human Rights Conduct

SACRAMENTO, CA – California State Treasurer Phil Angelides today expressed hope that the announced settlement in principle of human rights lawsuits filed against Unocal would lead to assurances that the company fully complies with fundamental human rights protections. The company announced they have reached an agreement in principle to settle the suits, which involve allegations of serious violations during a 1990's pipeline project in Burma.

Treasurer Angelides, along with New York State Comptroller Alan Hevesi – the chief investment officers of the nation's two largest states – met with Unocal's chief financial officer, Terry G. Dallas, at the company's headquarters in 2003 to demand the company prove that they had begun implementation of the International Labour Organization's (ILO) Fundamental Principles and Rights At Work. In the face of rising shareholder concerns, Unocal had already agreed to include those principles and rights of work in its company code of conduct.

"I urge Unocal to release details about the settlement and their conduct as soon as possible in order to provide shareholders with the reassurances they deserve," said Angelides. "I made it very clear to Unocal over one year ago that we need a coherent explanation as to why they continue to operate in Burma, a country in which American companies are now banned from making new investments. Because the allegations of human rights violations, which include murder, rape, and slave labor, are so severe, nothing short of full transparency and a full commitment to human rights by Unocal will suffice."

Angelides sits on the boards of the nation's largest and third-largest public pension funds, the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS), whose combined holdings include more than 2.1 million shares of Unocal stock.

Unocal, one of the largest oil and natural gas exploration and production companies in the United States, is the only U.S. based company with significant direct investments in the Southeast Asian country of Burma, or Myanmar. While more than 50 U.S.-based corporations pulled out of Burma in the 1990's – including Texaco, ARCO and Amoco – Unocal instead has invested \$300 million in Burma since 1993, according to a published report. Yet, even at full production capacity, according to one estimate, the Burma operations provided Unocal with less than 3% of its revenue in 2002.

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